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THE Wool SITUATION

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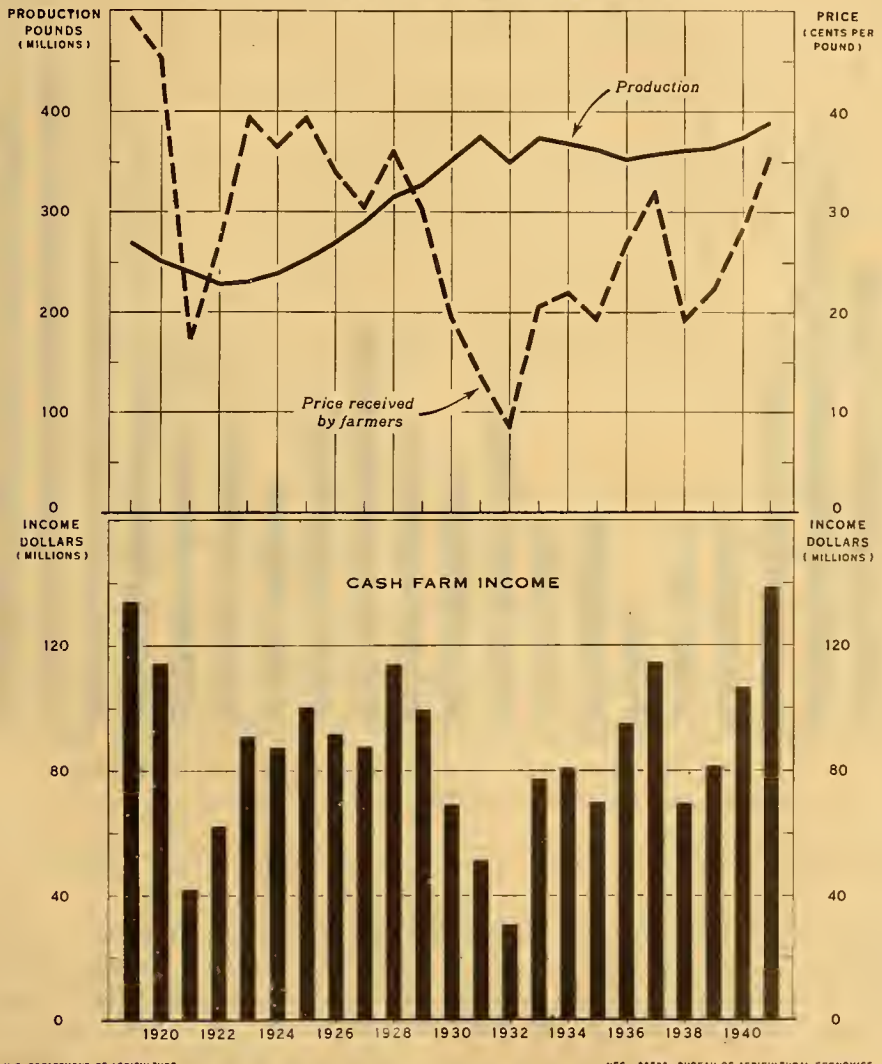
WOOL-63 BAE MARCH 1942

WOOL, SHORN: PRODUCTION, PRICE, AND CASH FARM INCOME, UNITED STATES, 1919-41



U S DEPARTMENT OF AGRICULTURE NEG 38582 BUREAU OF AGRICULTURAL ECONOMICS

WOOL PRODUCTION IN 1941 WAS THE LARGEST ON RECORD. WOOL PRICES IN 1941 AVERAGED HIGHER THAN IN ANY YEAR SINCE 1928, AND CASH FARM INCOME FROM SHORN WOOL WAS THE SECOND LARGEST ON RECORD. AT CURRENT PRICES, INCOME FROM THE 1942 CLIP IS LIKELY TO EQUAL THE RECORD INCOME OF 147 MILLION DOLLARS REPORTED IN 1918. UNDER PRESENT MAXIMUM PRICE REGULATIONS LITTLE ADVANCE FROM CURRENT PRICE LEVELS IS ANTICIPATED.

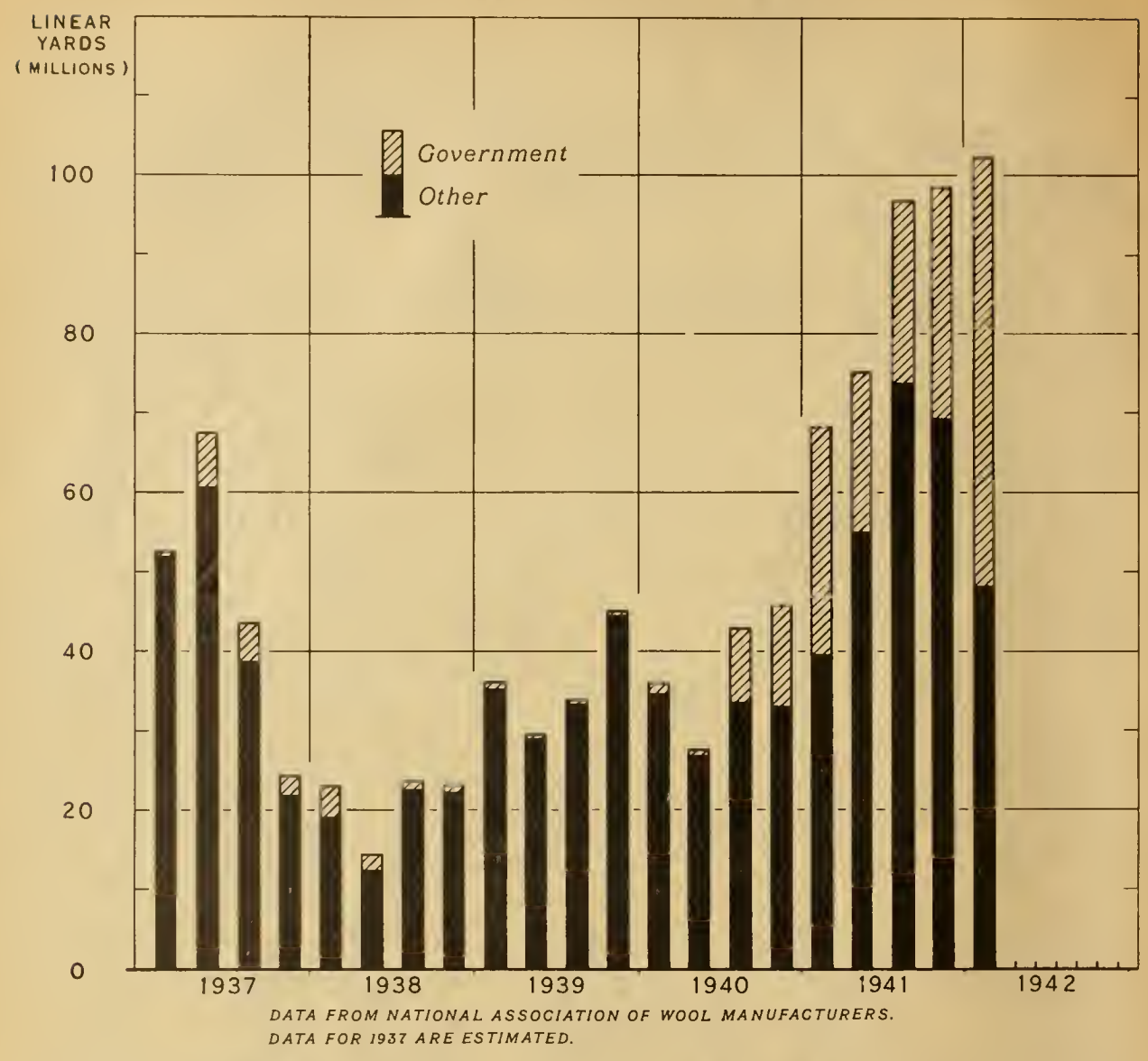


FIGURE 1.-- UNFILLED ORDERS FOR WOOL CLOTH HELD BY 119 MILLS ON DECEMBER 31 WERE 50 PERCENT LARGER THAN A YEAR EARLIER AND WERE MUCH LARGER THAN AT ANY TIME IN RECENT YEARS. MORE THAN HALF OF THE ORDERS HELD AT THE BEGINNING OF 1942 WERE FOR GOVERNMENT ACCOUNT, REFLECTING THE IMPORTANCE OF ARMY ORDERS TO THE WOOL TEXTILE INDUSTRY. ORDERS FOR FABRICS FOR CIVILIAN USE DECLINED SHARPLY IN THE LAST HALF OF 1941 AND THE DECLINE PROBABLY WILL CONTINUE IN 1942 AS CONSUMPTION OF WOOL FOR CIVILIAN USE IS BEING CURTAILED BY GOVERNMENT ORDER.

THE WOOL SITUATION

Summary

The number of sheep on farms and ranches at the beginning of 1942 was 3 percent larger than a year earlier, and wool production in 1942 probably will be a little larger than the record 1941 production of 455 million pounds greasy shorn and pulled basis. The new clip is being contracted in Western States at prices which are about 5 cents a pound higher than a year earlier and the highest in 14 years. At current prices cash farm income from the 1942 clip probably will equal or exceed the record income of 147 million dollars in 1918. The 1941 income, second largest on record, totaled 138 million dollars. Under present maximum price regulations little advance from present prices is anticipated.

A uniform scale of maximum prices, clean basis, by grades for greasy shorn domestic wools, became effective on February 28. The schedule does not fix a maximum price to growers, but clean prices are those which correspond to an average price of 37.1 cents a pound for grease wool, the United States average local market price on December 15, 1941. This is the highest of the four prices below which maximum prices for wool cannot be established under the Price Control Act. Market prices for graded domestic wools advanced in the early part of March. Boston prices for most wools are now close to the maximums permitted under the Office of Price Administration price schedule.

Further curtailment of new wool use for civilians has been ordered by the War Production Board for the second quarter of 1942. The use of apparel wools for civilian fabrics for this period is restricted to 10 percent (woolens) and 20 percent (worsteds) of the quarterly average for the first

half of 1941. The new quotas may be considerably modified, however, by the use of coarse wools and grown mohair which are not needed for military fabrics. Because of the large requirements for military fabrics, total mill consumption of apparel wool again will be large in 1942.

Production of wool in 12 Southern Hemisphere countries in the 1941-42 season is now estimated at 2,350 million pounds, compared with the record production of 2,360 million pounds in each of the 1939-40 and 1940-41 seasons. Most of the wool entering international trade is produced in these countries. With most European countries cut off from the market by the war, the United States is the principal outlet for South American wools at the present time. In view of the shortage of ocean shipping it is likely that relatively large quantities of the 1941-42 clips in the British Dominions, Australia, South Africa, and New Zealand, are still stored in those countries.

-- March 17, 1942

REVIEW OF RECENT DEVELOPMENTS

BACKGROUND.- Domestic wool production in 1941 totaled 455 million pounds, the largest on record. It was less than half as great as total mill consumption, however, which also was of record size. Stimulated by large orders for wool goods for the armed forces of this country and by increased incomes of consumers, mill consumption of apparel wool in 1941 totaled 977 million pounds, about 50 percent more than in 1940 and 70 percent more than the 1935-39 average annual consumption. Prices received by farmers for wool shorn in 1941 were higher than at any time since 1928. Boston market prices for domestic wool advanced sharply in the latter part of 1940, but they did not change much during the greater part of 1941.

The outbreak of war with Japan in early December was quickly followed by control measures relating to consumption and prices of wool. Temporary maximum prices for wool and semi-manufactures were announced by the Office of Price Administration on December 18. Early in January a wool conservation program was instituted which restricts the use of new wool in the manufacture of materials for civilian use. This action was taken because of the large military requirements which must be met, and because of the difficulty of importing large quantities of wool under war conditions.

Prices Strengthen at Boston Following Publication of Price Ceilings

Interest in domestic wools in February and the early part of March was centered chiefly on wools contracted from the new clip, according to reports of the Agricultural Marketing Service. Boston dealers were reported to be turning over contracts to manufacturers early in February at $1.10-$1.12 a pound scoured basis for average to good fine western wools. Following the publication on February 21 of the maximum price schedule for greasy shorn domestic wools, prices advanced to $1.12-$1.15 a pound. Contracts for 3/8 blood combing wools sold at $1.00-$1.03 a pound scoured basis.

Quoted prices of graded fine staple combing territory wools at Boston averaged $1.19 a pound scoured basis in the first week of March compared with $1.16 in the early part of February. Quoted prices for 3/8 blood graded combing territory wools averaged $1.02 a pound in the first week of March, 5 cents above a month earlier. Sales of spot domestic wools were small in February and early March.

Fairly large quantities of foreign fine wools were sold at Boston early in February following the announcement of awards of Government contracts for wool cloth. Average to good 64s 70s Australian topmaking wools sold at $1.03-$1.07 a pound scoured basis, duty paid.

Maximum Price Schedules Published for Domestic Wools

Greasy Shorn Wools.- A uniform scale of maximum prices clean basis, by grades, for greasy shorn domestic wools was published by the Office of Price Administration on February 23 and became effective February 28. The schedule does not set prices to growers but clean prices correspond to the United States average price received by farmers for wool on December 15, 1941 of 37.1 cents per pound. This is the highest of the four prices below which maximum prices for wool cannot be established under the Price Control Act. The approximate prices received by farmers for wool in the periods specified in the Agricultural Section of the Price Control Act were as follows:

Period	Price per pound Cents
110 percent of parity	1/ 29.6
October 1, 1941	2/ 36.3
December 15, 1941	37.1
Average July 1919-June 1929	34.1

1/ February 15, 1942. 2/ Estimated, local market prices available only on or about the fifteenth of each month.

The new regulation, No. 106, supersedes Price Schedule 58 insofar as it covers domestic shorn wool. The complete regulation was published in the Federal Register March 3, 1942.

The maximum prices specified in the new schedule include all commissions and other charges except as specifically provided for. The maximum price for fine 64s wool 2-1/2 inches or longer on a clean basis at Boston is $1.18 a pound. The price schedule for all grades, with provisions covering additions and deductions for other than average to good qualities and for shipping costs, brokerage, etc., are shown in table 6.

Scoured Shorn Wools.- Domestic shorn wools sold in a scoured condition are covered in a separate paragraph in Price Regulation 106 which amends Price Schedule 58 as follows:

The maximum price for scoured domestic shorn wool shall be the market price prevailing on October 1, 1941 or on December 15, 1941 for the same class, kind, type, condition and grade of scoured domestic shorn wool: Provided that, if there were no such market price, the maximum price shall be the highest price contracted for or received by the seller for the sale or delivery during the period between October 1, 1941 and December 15, 1941 inclusive, of scoured domestic shorn wool of the same class, kind, type, condition, and grade to a purchaser of the same general class. If during said period no such sale or delivery were made, the maximum price shall be a price in line with the maximum prices for related kinds, types, conditions, and grades, determined in accordance with this paragraph to a purchaser of the same general class.

Pulled Wools.- Maximum prices for domestic pulled wools were specified in the price schedule issued by the Office of Price Administration on January 29. No revisions of this schedule were specified in Regulation No. 106. The January 29 schedule for domestic pulled wools was given in the Wool Situation for February 1942.

Other Wools.- Revised Price Schedule No. 58 which was issued on February 2 designated the period October 1-December 15, 1941, inclusive, as the period to be used in computing maximum prices except where specific maximums are given. Except for scoured shorn wools, no revision of this provision was specified in Regulation No. 106.

To March 1, specific schedules of maximum prices had been published for the following:

Wool top futures
Grease wool futures
Certain South American and Cape wools
Certain wool tops and yarns for military fabrics
Domestic pulled wools
Domestic shorn wools

Unfilled Orders for Wool Cloth at Record High; More than Half of Total for Government Use

Unfilled orders for wool cloth reported by 119 mills on December 28 totaled 102.3 million linear yards according to statistics published by the National Association of Wool Manufacturers. This backlog of orders was 50 percent larger than a year earlier and almost three times as large as at

the beginning of 1940. More than half of the orders reported on December 28 were for Government account, reflecting the importance of Government buying to the wool textile industry. Unfilled orders for men's wear and women's wear cloth for civilian uses declined in the latter part of 1941 but orders for civilian cloths were considerably larger than in most recent years. The accompanying table shows unfilled orders reported by 119 mills, by quarters, 1940-42.

Table 1.- Wool cloth: Unfilled orders reported by 119 mills, United States, beginning of each quarter, 1940-42 1/

Quarter beginning	Men's wear: Government	Men's wear: Other	Men's wear: Total	Women's wear	Auto cloths 2/	Total
	1,000 linear yards	1,000 linear yards	1,000 linear yards	1,000 linear yards	1,000 linear yards	1,000 linear yards
1940						
Jan.	1,376	23,438	24,814	9,204	2,005	36,023
Apr.	748	21,297	22,045	4,429	1,136	27,610
July	9,436	17,564	27,000	12,933	3,064	42,997
Oct.	12,806	19,200	32,006	10,919	2,927	45,852
1941						
Jan.	28,457	25,799	54,256	11,403	2,494	68,153
Apr.	20,148	40,256	60,404	12,170	2,675	75,249
July	23,018	49,315	72,333	18,961	5,605	96,899
Oct.	29,010	48,546	77,556	17,805	3,097	98,458
1942						
Jan. 3/	54,126	34,189	88,315	12,470	1,508	102,293

Compiled from Monthly Statistics of Wool Manufacture, published by the National Association of Wool Manufacturers. Statistics are for cloth containing by weight over 25 percent of yarns spun on the woolen and worsted system. Cloth less than 50 inches wide reported in equivalent 54-inch yardage.

1/ Reports are for specified dates near the beginning of each quarter. 2/ Excludes cloth with pile or jacquard design. 3/ December 28, 1941.

Mill Use of Wool for Civilians to be Cut Sharply in Second Quarter

Further curtailment of new wool consumption for civilian use has been ordered by the War Production Board for the second quarter of 1942. At the same time restrictions on total use of wool by mills have been removed. This will permit mills to fill military orders in full without consideration of civilian quotas. In the first quarter of 1942, the use of new wools for all purposes was restricted to 80 percent of the quarterly average for the first half of 1941.

The allocation for consumption for civilian uses for the first two quarters of 1942 is based on one half of the new wool consumed by each mill during the first half of 1941, known as the basic quarterly poundage. The quotas, by systems, in terms of the basic quarterly poundage, are as follows:

Allocation of new wool to mill consumption for civilian use:
Expressed as a percentage of basic quarterly poundage 1/

System of manufacture	1942	
	First quarter	Second quarter
	Percent	Percent
Worsted system	50	2/ 20
Woolen system	40	2/ 10
Floor coverings	50	25
All other	40	10

1/ Basic quarterly poundage = one half the quantity used for all purposes during the first 6 months of 1941.
2/ Quotas for the second quarter may be modified by the use of wools not finer than 44s and also mohair.

The use of new wool for nondefense materials for the second quarter of 1942 is sharply reduced as compared with first quarter quotas. The new quotas may be modified to some extent, however, by the use of grown mohair and coarse wools not needed in the defense program. The order provides that for each pound of grown mohair (not including kid mohair) or wool of grades 44s or coarser, put into process within the quota limit, the user shall be entitled to process, in addition to his wool quota, 2 pounds of grown mohair or wool of grades 44s and coarser if operating on the worsted system, or 5 pounds of such mohair or wool if operating on the woolen, cotton, or felt system, except for the manufacture of floor covering.

It was estimated by the War Production Board that the quantity of new wools finer than 44s to be allocated for civilian use in the second quarter of 1942 would total about 22 million pounds. Consumption of coarse grade wools and mohair could be considerably larger than this. The complete text of the conservation order for the second quarter of 1942 was published in the Federal Register February 27, 1942.

OUTLOOK

The number of sheep on farms and ranches at the beginning of 1942 was 3 percent larger than a year earlier and wool production in 1942 probably will be a little larger than the record 1941 production of 455 million pounds, greasy shorn and pulled basis. The new clip is being contracted in Texas and Western States. Prices received by farmers in these States in the early part of March were reported to be about 5 cents a pound higher than a year earlier and were the highest in 14 years. Under present maximum price regulations little advance from current levels is anticipated. At current prices, however, income received by producers for the 1942 clip is likely to equal or exceed the record income of 147 million dollars reported in 1918. The 1941 income, second largest on record, totaled 138 million dollars.

As the wool outlook has not changed greatly in the last month, the following points are summarized in part from the February Wool Situation.

(1) Because of the large requirements for military fabrics, mill consumption of apparel wool again will be large in 1942. With a prospective increase of about 2 million men in the armed forces in 1942, there will be a need for not less than 200 million pounds of scoured wool (about 400 million pounds of grease wool) for the equipment of these men in addition to wool now being processed for the needs of the present army. Mill consumption of new wool for civilian fabrics will be sharply curtailed in 1942.

(2) Supplies of wool now on hand in the United States, including the 1942 production, are the largest in many years. Present supplies probably would be sufficient to fill most of the 1942 requirements but large inventories must be maintained to assure continuous mill operations in the early months of 1943 as the domestic clip is not available until late spring.

(3) Wool imports will be limited by the large requirements for shipping space for strategic materials and for military purposes, but imports are likely to be larger than in recent pre-war years. Large quantities of wool formerly exported to European countries are available in South America, principally in Argentina and Uruguay. If Pacific shipments are cut off, United States imports may be supplied largely by South American countries.

WOOL PRODUCTION IN 1941-42

United States Production Sets Record in 1941; Income from Wool Largest Since 1918

Production of shorn and pulled wool in the United States in 1941 is estimated by the Department of Agriculture at 455 million pounds, greasy shorn and pulled basis, the largest on record. Of this total 389 million pounds were shorn wool and 66 million pounds were pulled wool. The 1941 production was 4 percent larger than the revised estimate of 437 million pounds for 1940, of which 375 million pounds were shorn wool and 62 million pounds were pulled wool.

Wool prices in 1941 were higher than in any year since 1928. The local market price of shorn wool averaged 35.5 cents a pound, compared with 28.3 cents in 1940. Cash farm income from wool in 1941 is estimated at 138 million dollars compared with 106 million dollars in 1940 and a 5-year (1935-39) average of 86 million dollars. Cash income from wool in 1941 was the second largest on record, being exceeded only in 1918.

Estimates of shorn wool production for the years 1934-41 were recently revised downward by the Department on the basis of revised estimates of sheep numbers and fleece weights indicated in the 1940 Census of Agriculture. Most of the revisions in the production estimates are accounted for by changes in the figures for the East North Central and Western regions. No revisions were made in production estimates for the years prior to 1934. Wool production estimates, together with estimates of the number of sheep shorn, weight per fleece, local market price, and cash income 1919-1941, are shown in table 4.

Production in Principal Southern Hemisphere Countries again Large in 1941-42

Production of wool in the Southern Hemisphere in the 1941-42 season was only slightly smaller than the record production in 1939-40 and 1940-41 according to latest estimates. Production in 12 Southern Hemisphere countries is estimated at 2,350 million pounds compared with 2,360 million pounds in each of the two previous seasons. Most of the wool entering international trade is produced in these countries.

As world wool production is concentrated largely in the Southern Hemisphere, it has not as yet been seriously affected by the war. In the British Dominions, the principal difficulties probably have been a shortage of labor for shearing and transportation to central markets. In view of the shortage of ocean shipping it is likely that relatively large quantities of the 1941-42 clips of Australia, New Zealand, and South Africa are still stored in those countries. The entire production of those countries has been purchased by the British Government for the duration of the war, but wool is resold to United States buyers by the British Wool Control.

European Countries Cut Off From Supplies

European countries which formerly took large quantities of wool from Argentina and Uruguay are largely cut off from this supply by the war and the United States is the principal outlet for South American wools at the present time. Hence conditions in the United States wool market are important factors affecting South American wool sales. In the 1940-41 export season United States buyers took 83 percent of the wool shipped from Argentina and Uruguay.

Factors restricting United States purchases in South American markets in the current season have been the uncertainty concerning wool-price ceilings and civilian consumption quotas and the fact that stocks of wool held by United States dealers and manufacturers in the latter part of 1941 were the largest in many years.

Table 2.- Wool exports from Argentina and Uruguay in the first 4 months (October-January) of the export season, 1939-40 1/

Period beginning October 1	Argentina		Uruguay		Two countries	
	United States	Total	United States	Total	United States	Total
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
1935	22.4	91.8	12.1	50.4	34.5	142.2
1936	39.3	130.9	19.0	66.9	58.3	197.8
1937	2.3	57.5	0.2	24.1	2.5	81.6
1938	33.2	140.9	1.8	36.5	35.0	177.4
1939	63.2	107.7	16.1	33.2	79.3	140.9
1940	122.2	148.7	52.8	63.0	175.0	211.7

Compiled from commercial reports.
1/ Weight of greasy, scoured and skin wool as reported.

Table 3.- Wool production in principal Southern Hemisphere countries 1937-41 1/

Country	1937-38	1938-39	1939-40	1940-41 2/	1941-42 2/
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
South American					
Argentina	366.0	399.0 3/	443.0 3/	474.0 3/	474.0
Uruguay	116.3	125.4	133.9	139.0 4/	118.0
Brazil	39.7	41.0	40.8	40.0	40.0
Chile	33.0	35.0	30.0	32.0	35.0
Peru 5/	21.0	19.0	19.0	16.0	14.0
Falkland Islands	4.6	3.6	3.5 6/	3.5 6/	3.5
Other 7/	6.5	6.5	6.5	6.5	6.5
Total	587.1	629.5	676.7	711.0	691.0
British Dominions					
Australia	1,023.4	983.6	1,128.1	1,044.0	1,070.0
British South Africa	233.0	248.0	246.2	270.5	260.0
New Zealand	296.8	327.7	310.0	332.0	332.0
Total	1,553.2	1,559.3	1,684.3	1,646.5	1,662.0
Total Southern Hemisphere	2,140.3	2,188.8	2,361.0	2,357.5	2,353.0

Compiled from official sources or reliable commercial sources except as indicated.

1/ Season begins October 1 in most South American countries, July 1 in Australia, New Zealand and British South Africa.

2/ Preliminary.

3/ Estimates reported by Agricultural Attache Paul O. Nyhus.

4/ Estimate based on reported decrease from 1940-41.

5/ Revised estimates based on recent reports of the Junta Nacional de la Industria Lanar.

6/ Latest estimate carried forward.

7/ Includes Bolivia, Ecuador, and Paraguay. Rough approximations.

Data for chart on cover page

Table 4.- Wool production, price and cash farm income, United States, 1919-41

Year	Sheep shorn	Weight per fleece	Production: shorn wool	Price per pound	Cash income	Pulled wool production
	1,000 head	Pounds	1,000 pounds	Cents	1,000 dollars	1,000 pounds
1919	36,817	7.30	270,091	49.5	133,571	48,300
1920	34,621	7.20	250,888	45.5	114,117	42,900
1921	33,080	7.30	241,723	17.3	41,882	48,500
1922	31,412	7.30	228,367	27.1	61,998	42,000
1923	30,953	7.40	230,168	39.4	90,607	42,500
1924	31,790	7.50	238,205	36.6	87,284	43,800
1925	33,564	7.50	253,203	39.5	99,990	46,800
1926	34,997	7.70	269,261	34.0	91,514	49,600
1927	37,414	7.70	289,404	30.3	87,610	50,100
1928	39,795	7.90	314,820	36.2	113,879	51,900
1929	42,011	7.80	327,795	30.2	99,056	54,500
1930	44,549	7.90	352,129	19.5	68,739	61,900
1931	46,832	8.04	376,301	13.6	51,039	66,100
1932	45,207	7.76	350,996	8.6	30,202	67,100
1933	46,005	8.13	374,152	20.6	77,065	64,200
1934	46,421	7.95	368,860	21.9	80,709	60,500
1935	44,991	8.04	361,531	19.3	69,613	66,000
1936	44,623	7.91	352,863	26.9	94,828	66,200
1937	44,444	8.04	357,454	32.0	114,234	66,200
1938	45,030	8.02	361,180	19.1	69,156	64,600
1939	45,428	8.01	363,716	22.3	81,108	64,500
1940	46,645	8.03	374,564	28.3	106,174	62,000
1941	47,970	8.11	389,128	35.5	138,195	63,800

Table 5.- Prices per pound of wool and other textile raw materials in the United States, selected periods, 1939-42

Item	Average			1941		1942	
	1939	1940	1941	Feb.	Dec.	Jan.	Feb.
	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Boston market-							
Territory, scoured basis-							
64s, 70s, 80s (fine) staple	82.7	96.3	108.8	107.5	115.5	116.0	116.1
56s (3/8 blood) combing	69.3	79.7	91.2	86.2	96.8	97.0	97.9
46s (low 1/4 blood)	62.6	76.1	82.3	79.5	86.5	86.5	87.4
Bright fleece, greasy-							
64s, 70s, 80s (fine) delaine	32.9	38.0	43.1	43.0	45.3	45.5	45.8
56s (3/8 blood) combing	36.2	41.2	46.8	44.0	51.2	51.5	51.6
46s (low 1/4 blood)	35.5	41.0	46.5	43.5	50.0	50.0	50.2
Foreign wool - in bond at Boston 1/							
Sydney - scoured basis 64s, 70s, combing	58.6	67.9	72.7	74.0	74.2	75.5	75.5
Cape - scoured basis 12 months, combing	53.7	62.9	70.9	72.5	72.0	73.0	73.0
Montevideo - grease basis-							
Merinos (60-64s)	26.1	31.2	40.4	37.4	43.4	43.6	43.0
1s (56s)	28.3	32.4	38.6	35.8	45.5	45.4	42.2
Prices received by farmers, grease basis, 15th of month	22.3	28.3	35.5	32.1	37.1	37.2	37.1
Textile fibers:							
Wool, territory fine staple 2/	82.7	96.3	108.8	107.5	115.5	116.0	116.1
Cotton, 15/16" Middling 3/	9.30	10.17	13.92	10.13	17.26	18.99	19.23
Rayon yarn, 150 denier 4/	51.6	53.0	53.6	53.0	55.0	55.0	55.0
Rayon staple fiber 5/							
Viscose 1-1/2 denier	25.0	25.0	25.0	25.0	25.0	25.0	25.0
Acetate 5 denier	46.0	43.0	43.0	43.0	43.0	43.0	43.0

Compiled from reports of the Agricultural Marketing Service except as otherwise noted.

1/ Before payment of duty. Compiled from the Boston Commercial Bulletin.
2/ Scoured basis, Boston market.
3/ Average at 10 markets.
4/ Domestic yarn, first quality, Bureau of Labor Statistics.
5/ F.o.b. producing plants, Bureau of Labor Statistics.

Table 6.- Maximum prices for domestic shorn wools, OPA Price Regulation No. 106

The prices set forth below are maximum prices for domestic shorn wools of average of good character. The maximum prices for wools of choice character, for inferior wools and for wools sold in lots containing mixed grades or lengths shall be determined in accordance with paragraphs (B), (C) and (D) below.

All maximum prices are prices per pound clean basis and shall include all commissions and other charges except as provided in paragraph (E) below.

(A) WOOLS OF AVERAGE TO GOOD CHARACTER

Worsted Type Grade and Lengths	Prices Cents per pound Clean basis
Fine, 70s, 2 inches and longer	$1.20
Fine, 64s and finer	
2-1/2 inches and longer	1.18
1-1/2 to 2-1/2 inches	1.13
1/2 blood and fine, 60s 64s	
2-1/2 inches and longer	1.16
1-1/2 to 2-1/2 inches	1.11
1/2 blood 60s	
3 inches and longer	1.15
1-1/2 to 3 inches	1.11
1/2 blood 58s	
3 inches and longer	1.09
2 to 3 inches	1.06
3/8 blood 56s	
3-1/2 inches and longer	1.04
2 to 3-1/2 inches	1.01
1/4 blood 50s	
4 inches and longer	.96
2 to 4 inches	.93
1/4 blood 48s	
4 inches and longer	.93
2 to 4 inches	.91
Low 1/4 blood, 46s	
5 inches and longer	.92
3 to 5 inches	.90
Under 3 inches	.88
Common and braid, 36s, 40s, 44s	
5 inches and over	.93
Under 5 inches	.88

Continued

Woolen type Grade and length	Prices Cents per pound Clean basis
Fine, 64s and finer, under 1-1/2 inches	$1.08
1/2 blood 60s, under 1-1/2 inches	1.05
1/2 blood 58s, under 2 inches	1.01
3/8 blood 56s, under 2 inches	.96
1/4 blood 50s, under 2 inches	.90
1/4 blood 48s, under 2 inches	.89

The maximum price on any sale of domestic shorn wool shall be the applicable price set forth above; where wool is shipped, such maximum price must be computed in accordance with subparagraphs (1), (2) or (3) below. Where such maximum is a shipping point price, the total delivered price may not exceed the shipping point price plus actual cost of transportation from shipping point to destination. Where such maximum is a delivered price, the shipping point price may not exceed such delivered price less actual cost of transportation from shipping point to destination.

Whenever delivery is made in the seller's conveyance, the transportation charge shall not exceed the charge which would be applicable on an identical shipment from the same shipping point to the same destination at the lowest available commercial rate. In such cases, the transportation charge must be separately shown in the invoice or similar document delivered to the purchaser.

(1) Shipments from Boston to other points.

On shipments from Boston to other points, the maximum price shall be a shipping point price no higher than the applicable price set forth above ex warehouse at Boston.

(2) Shipments to Boston from other points.

On shipments to Boston from other points, the maximum price shall be a delivered price no higher than the applicable price set forth above f.o.b. at destination in Boston.

(3) Other shipments.

On other shipments, the maximum price shall be a delivered price no higher than the applicable price: Provided, that (1) if the transportation charge per pound from shipping point to the railroad siding nearest the point of destination at the lowest railroad carload rate applicable to shipments of greasy wool is more than such charge from shipping point to Boston, then the amount of such excess may be added; and (2) on resales of wool where the point of shipment is in the same locality as the point of destination, the cost of local cartage and loading may be added.

(B) Wools of choice character

The maximum prices for wools of choice character shall be the maximum prices set forth above plus the following amounts:

(1) Grades 70s to 58s, inclusive, 3 cents per pound.

(2) Grades 56s to 48s, inclusive, 5 cents per pound.

(3) Grades 46s and coarser, 8 cents per pound.

(C) Inferior wools

The maximum prices for inferior wools shall be determined by deducting from the applicable maximum price for wools of average to good character, set forth in paragraph (A) above, the following amounts:

(1) Slightly stained wools, 2 cents per pound.

(2) Yellow or heavily stained wools, 5 cents per pound.

(3) Seedy or burry wools not requiring carbonizing (according to established trade practice), and cotts, 3 cents per pound, after adjustment has been made for color in accordance with (1) or (2) above.

(4) Seedy or burry wools requiring carbonizing (according to established trade practice), 10 cents per pound. After adjustment has been made in accordance with (1) or (2) above: Provided, that where such wools are sold in a carbonized state the actual carbonizing charges plus an allowance for actual shrinkage may be added to the maximum price so long as such charges and shrinkage allowance are set forth in the invoice or similar document delivered to the purchaser.

(5) Black or gray wools, 20 cents per pound.

(6) Dead wools, 25 cents per pound.

(7) Karrakul wools, 35 cents per pound.

(8) Wools tied with sisal or loose-spun jute twine, 10 cents per pound.

(9) Improved Navajo wools, 5 cents per pound.

(10) Unimproved Navajo wools, 10 cents per pound.

(D) Wools sold in lots containing mixed grades or lengths

When wools are sold in original bags or in lots containing different grades or lengths, the amount of each grade and length included shall be determined by grading a sample portion of the lot or by an estimate made in accordance with established trade practices, and the maximum price for quantity sold shall be based upon the applicable maximum price for each grade or length included.

(E) Brokers, commissions

In cases where a purchaser or a seller of domestic shorn wool employs a broker or other agent to make a purchase or sale on his behalf, a commission of not to exceed 1 percent of the applicable maximum price may be charged for such services and added to the applicable maximum price. A commission may not be charged to both buyer and seller on the same lot of wool. Such commissions shall be payable only if (1) the wool is purchased at a price not exceeding the maximum price established by maximum Price Regulation No. 106, (2) it is shown as a separate charge on the invoice or similar document delivered to the purchaser, and (3) the commission is not split or divided with the seller or with an agent or an employe of the seller.

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